



Dennis Braddock, Secretary

CURRENT BUDGET

2003-05 Biennium Funding

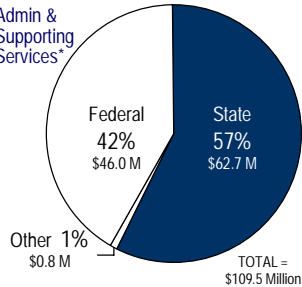
Administrative Support

October 1, 2003

Funding Sources

2003-05 Biennium

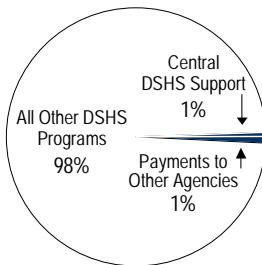
Admin & Supporting Services*



* Excludes Payments to Other Agencies

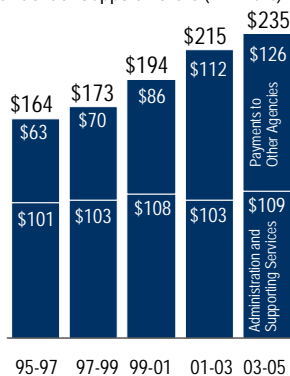
Administrative Support Services

As a Percent of the DSHS Budget
All Funds



Funding Trend

Total Central Support Dollars (In Millions)



CONTACTS

PROGRAM FISCAL CONTACTS

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Persons with disabilities or special needs may call the Budget Information Line at 360.902.8255 and request a hard copy.

ADMINISTRATIVE SUPPORT SERVICES consists of the department's "Administration and Supporting Services" budget and a less often described category known as "Payments to Other Agencies." Administration and Supporting Services includes executive management, legal, technical, and support functions that keep the department running. Payments to Other Agencies is the category from which services to other state agencies – such as General Administration, the Department of Personnel, and the Attorney General's Office – are paid. All agencies contribute toward these services at rates fixed in the state budget. In turn, agencies benefit from mail delivery, employee investigation, legal support, facility maintenance, and a variety of other routine services.

DSHS Administration and Supporting Services and Payments to Other Agencies each represent about one percent of the DSHS budget. In the 2001-03 Biennium, the amount budgeted for Payments to Other Agencies surpassed the amount for Administration and Supporting Services for the first time in the history of DSHS.

2003-05 BIENNIUM FUNDING

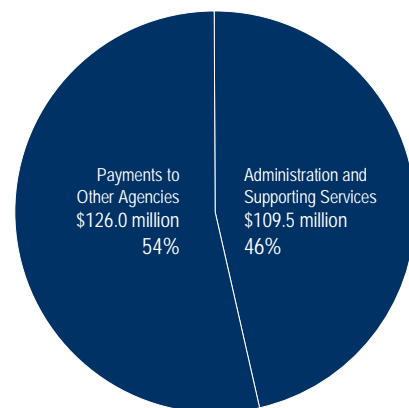
Authorized spending for Administration and Supporting Services in 2003-05 is **\$109.5 million** (\$62.7 million GF-S), which supports 760 full-time equivalent positions (FTEs) and the program priorities identified above. Authorized spending for Payments to Other Agencies is **\$126.0 million** (\$84.0 million GF-S).

For Fiscal Year 2004, a \$3.1 million dollar reduction was taken in the Administration and Supporting Services budget and was implemented across core support services.

2003-05 Biennial Base Funding for Core DSHS Services

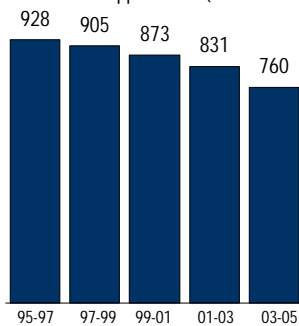
Initial Allotment

Total = \$235.5 Million



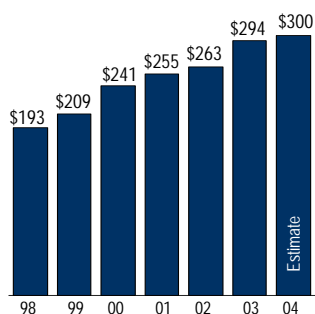
Budgeted FTEs

Central DSHS Support Total (Includes ISSD)



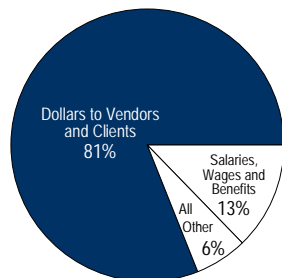
Financial Recoveries

In Millions

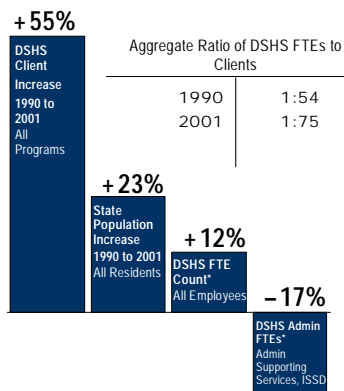


2003-05 Budget

TOTAL=\$14.1 Billion



Demands Have Increased, Support Has Not



* Using biennial average, 1989-91 to 2001-03. The 2001-03 biennial end count results in an overall reduction of 19 percent, due to the timing of the recent reductions, which were late in the 2001-03 Biennium.

ADMINISTRATION AND SUPPORTING SERVICES

Administration and Supporting Services maintains operations with staff who have responsibility for quality improvement efforts, legislative and federal government transactions, community relations, finance, lands and buildings, personnel, payroll, financial recovery, contracts, forms and records management, audit and consultation reviews, rules and policy, appeals, agency-wide planning activities, cross-agency collaboration, and executive leadership for critical core services, plus assistance to the public. These responsibilities are often referred to as “headquarters” activities, although not all headquarter positions are located in Olympia. *\$109.5 million (\$62.7 million GF-S, \$46.0 million GF-F, \$0.8 million Other)*

Included in the Administrative Support Services’ budget is the Information System Services Division (ISSD) with a staff of 151.4 full time equivalent employees. ISSD is the department’s primary service provider for agency-wide information technology (IT) services. The division is responsible for formulating agency IT policy, facilitating the setting of agency IT standards, guidelines and best practices. ISSD maintains a portfolio of IT projects used in strategic agency priority setting and oversight reporting. Funding for ISSD is budgeted in other program areas of the department and all ISSD expenses are billed back to the programs. In addition, ISSD bills the programs for services received (at a cost of approximately \$27.5 million per biennium) from the Department of Information Services. *\$33.5 million (state and federal match determined by individual program cost allocation methodology)*

PAYMENTS TO OTHER AGENCIES

“Payments to Other Agencies” is a budget category from which payments to the Department of Personnel, the agency self-insurance account, Office of Minority and Women’s Business Enterprises, State Patrol, Human Rights Commission, Archives, General Administration, State Auditor, Attorney General, and Administrative Hearings are paid. *\$126.0 million (\$84.0 million GF-S, \$42.0 million GF-F)*

ABOUT PROGRAM TRANSFERS

The department anticipates the transfer of 10.0 million dollars from Central Administration to the Economic Services Administration. These funds will be used to help meet the federally required level for Supplemental Security Income state supplemental payments. *(\$10.0 million GF-S)*

FINANCIAL CHALLENGES

HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA)

HIPAA was signed into law in August 1996. Under this federal law, the department continues to examine and identify changes needed to the state Medicaid program’s current business practices, and associated information technology systems to meet data collection and storage requirements.